

Environmental Quality Office Environmental and Safety Engineering Ford Motor Company Parklane Towers West Three Parklane Blvd., Suite 950 Dearborn, MI 48126-2477 November 9, 2004

Mr. Art Williams Director Louisville Metro Air pollution Control District 850 Barret Avenue Louisville, Kentucky 40204-1745

Subject: Proposed Strategic Toxic Air Reduction (STAR) Program Regulations

Dear Mr. Williams:

On behalf of Ford Motor Company, attached are initial comments regarding the package of draft regulations referred to as the Strategic Toxic Air Reduction (STAR) Program. I would like to thank you for taking time to meet with my associates and me to explain and clarify potential requirements of this very complex set of draft regulations. Based on our review with you and your staff and our own evaluation, it appears the proposed rules will dramatically affect the continued competitiveness of both the Ford Kentucky Truck and Louisville Assembly Plants.

Our initial evaluation of the draft regulations indicates that neither facility will be able to achieve compliance with derived standards for at least several compounds listed. To illustrate our concern, consider Benzene and Formaldehyde emitted in minor amounts from both facilities. Benzene is a trace by-product of natural gas burning and a minor constituent in gasoline used in initial fueling of vehicles. Similarly, Formaldehyde is a trace by-product of natural gas burning and a trace contaminant (less than MSDS reportable) in low solvent content melamine resinbased coating used to paint vehicles at both facilities. Our initial calculations indicate Benzene and Formaldehyde emissions could easily be twice and almost thirty times, respectively, the acceptable derived standards/goals.

Both facilities are equipped with Stage I vapor controls on gasoline storage tanks and all vehicles produced have on-board vapor control systems yielding better than 98 percent control of volatiles (i.e. Benzene). In addition, low-solvent content melamine resin-based vehicle painting systems have been installed at both facilities to reduce volatile emissions to the lowest achievable emission rate, including extensive use of carbon adsorption and thermal oxidizers. Coal fired boilers have been shutdown and clean burning natural gas is used throughout both facilities for process and building heating. Additional controls on these low emitting activities (<<1/4 pound per hour) are not practically possible.

The illogical conclusion we are driven to by the proposed regulations is that curtailment of operations or seeking separate negotiated standards with the Air Pollution Control Board are the only solutions available. This example illustrates a fatal flaw in the proposed rule package. The regulations are based upon a series of ultra-conservative estimating methodologies that when taken together result in standards that are unachievable in practice. Importantly, the result is the incorrect impression that health and environmental protection are jeopardized. That conclusion is wrong and misleading to the public.

There is no institutional reason why Ford would oppose good air toxic control regulations. Onthe-contrary, good regulation can promote a common understanding and assure all stakeholders contribute equitably to the shared objective of clean healthy air. The attached comments relate to 'mechanical' concerns with the proposed regulations. We however, believe a reassessment of the overall air toxic control strategy is critical.

We urge the Air Pollution Control District to form a multi-stakeholder group similar to the Air Quality Task Force convened earlier this year by Mayor Abramson to undertake a systematic evaluation of the air toxic issue, potential remedial actions and proposed regulatory framework. Only through a truly interactive process can good public policy emerge in the form of understandable and achievable regulations.

Preeminent in a multi-stakeholder discussion will be an evaluation of the implications to Louisville air quality of federal MACT standards. Ford like many large manufacturers is spending hundreds of millions of dollars across the U.S. to bring facilities into compliance with the new hazardous air pollutant (HAP) emission standards. Dramatic reductions in HAP emissions should result from implementation of this program. Significant reductions are anticipated at Kentucky Truck and Louisville Assembly Plants. Additional reductions should be anticipated from other Louisville area manufacturers.

As corporate citizens of Louisville representing two major manufacturing facilities and thousands of employees we have a vested interest in achieving and maintaining clean air while assuring economic vitality. We stand ready to join a multi-stakeholder group to engage in multilateral discussions leading to appropriate air toxic regulation.

Sincerely,

Dennis J. Karl Manager Regulatory Policy Group

cc: Mr. B. Traughber, Cabinet Secretary

Mr. G. Ladden, KTP Mgr Mr. J. Bobnar, LAP Mgr.